

## Farm Service Agency, USDA

## § 771.4

(3) The loan adequately secured by a general assignment of tribal income.

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### PART 771—BOLL WEEVIL ERADICATION LOAN PROGRAM

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#### § 771.1 Introduction.

The regulations in this part set forth the terms and conditions under which loans are made through the Boll Weevil Eradication Loan Program. The regulations in this part are applicable to applicants, borrowers, and other parties involved in the making, servicing, and liquidation of these loans. The program's objective is to assist producers and state government agencies in the eradication of boll weevils from cotton producing areas.

#### § 771.2 Abbreviations and definitions.

The following abbreviations and definitions apply to this part:

(a) Abbreviations:

*APHIS* means the Animal and Plant Health Inspection Service of the United States Department of Agriculture, or any successor Agency.

*FSA* means the Farm Service Agency, its employees, and any successor agency.

(b) Definitions:

*Extra payment* means a payment derived from the sale of property serving as security for a loan, such as real estate or vehicles. Proceeds from program assessments and other normal operating income, when remitted for payment on a loan, will not be considered as an extra payment.

*Non-profit corporation* means a private domestic corporation created and organized under the laws of the State(s) in which the entity will operate whose net earnings are not distributable to any private shareholder or individual, and which qualifies under the Internal Revenue Service code.

*Restructure* means to modify the terms of a loan. This may include a modification of the interest rate and/or repayment terms of the loan.

*Security* means assets pledged as collateral to assure repayment of a loan in the event of default on the loan.

*State organization* means a quasi-state run public operation exclusively established and managed by state and/or non-state employees, with all employees currently dedicated to the specific task of eliminating the boll weevil from the cotton growing area of the state.

#### § 771.3 [Reserved]

#### § 771.4 Eligibility requirements.

(a) An eligible applicant must:

(1) Meet all requirements prescribed by APHIS to qualify for cost-share grant funds as determined by APHIS, (FSA will accept the determination by APHIS as to an organization's qualification);

(2) Have the appropriate charter and/or legal authority as a non-profit corporation or as a State organization specifically organized to operate the boll weevil eradication program in any State, biological, or geographic region of any State in which it operates;

(3) Possess the legal authority to enter into contracts, including debt instruments;

(4) Operate in an area in which producers have approved a referendum authorizing producer assessments and in which an active eradication or post-eradication program is underway or scheduled to begin no later than the